

INSURANCE ACTIVITIES, THAT RESULT FROM THE CONVERSION AND THAT DO NOT CONFORM WITH APPLICABLE LAW, UNLESS A DIFFERENT PERIOD IS AUTHORIZED BY FEDERAL REGULATORY AGENCIES:

(1) FOR A PERIOD OF 5 YEARS AFTER THE CONVERSION; AND

(2) IF THE BANK COMMISSIONER APPROVES, FOR AN ADDITIONAL PERIOD NOT EXCEEDING 5 YEARS.

(C) A COMMERCIAL BANK RESULTING FROM A CONVERSION OF A CAPITAL STOCK SAVINGS AND LOAN ASSOCIATION MAY HOLD INSURANCE ASSETS OR CONDUCT INSURANCE ACTIVITIES THAT WERE HELD OR CONDUCTED BEFORE THE CONVERSION AND THAT DO NOT CONFORM WITH APPLICABLE LAW, FOR A PERIOD OF 2 YEARS AFTER THE DATE OF CONVERSION, UNLESS A DIFFERENT PERIOD IS AUTHORIZED BY FEDERAL REGULATORY AGENCIES.

(D) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A COMMERCIAL BANK RESULTING FROM THE CONVERSION OF A CAPITAL STOCK SAVINGS AND LOAN ASSOCIATION MAY HOLD INSURANCE ASSETS OR CONDUCT INSURANCE ACTIVITIES ONLY TO THE EXTENT PERMITTED UNDER APPLICABLE LAW FOR A MARYLAND COMMERCIAL BANK.

SECTION 2. AND BE IT FURTHER ENACTED, That nothing in this Act may be construed to affect the validity of any obligations, transactions, or loans of a capital stock savings and loan association made in accordance with the provisions of law relating to State-Chartered Savings and Loan Associations in effect before the savings and loan association's conversion to a banking-institution commercial bank is complete.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1986.

Approved May 13, 1986.

CHAPTER 592

(House Bill 1714)

AN ACT concerning

General Construction Loans of 1979, 1980,
1981, and 1983

FOR the purpose of amending Chapter 420 of the Acts of 1979, the General Construction Loan of 1979, and Chapter 693 of the Acts of 1980, the General Construction Loan of 1980, as amended by Chapter 724 of the Acts of 1981, and Chapter 724 of the Acts of 1981, the General Construction Loan of 1981,